

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure and Investment Department - Construction of 13 Nos. of District Level RTG Centers and a State level RTG Annex building - Revised administrative sanction to factor-in the increased GST rate as per Government Notification, for an amount of Rs.180,50,38,819/- for the Project Implementation Agency - Rs.2,35,17,400/- for the Third party testing agency - Accorded - Orders - Issued.

INFRASTRUCTURE AND INVESTMENT (AIRPORTS) DEPARTMENT

G.O.Rt.No.68.

Dated 29-09-2023.

Read the following:-

1. G.O.Rt.No.152, E, I&I (Airports) Department, Dated 15-11-2018.
2. G.O.Rt.No.55, Energy (Power-I) Department, Dated 05-05-2021.
3. From the MD, APSFL E-file.No. APSFL-13048/1/2020-ONE1-APSFL (Comp.No.1288355), Dated 07.07.2023.

ORDER:

In the reference 1st read above, Government has accorded Administrative sanction for an amount of Rs.156.09 Crores, for the construction of 13 Nos. of District Level RTG Centers and a State level RTG Annex building (*Rs.154.09 Crs for the Project Implementation Agency and Rs.2 Crores for the Third party testing agency*).

2. Accordingly, APSFL has entered into Master Service Agreement (MSA), dated 26/11/2018 with M/s. NCC-Matrix consortium for the project Design and Construct 13 RTG District Centres and Annexe for State RTG Centre in the state of Andhra Pradesh. As per Appendix II of MSA, payment schedule consideration clearly mentioned that the cost of the project Rs.154,09,00,000/- (*Rupees One Hundred and Fifty Four Crores and Nine Lakhs only*) is exclusive of all taxes.

3. In the reference 2nd read above, Government has accorded an Administrative Sanction for an amount of Rs.176,65,83,480/-, for construction of 13 Nos. of District Level RTG Centers and a State level RTG Annex building (i.e Rs 174,30,66,080/- for the Project Implementation Agency and Rs.2,35,17,400/- for the Third party testing agency) as the total cost of the project, including taxes, is Rs.176,65,83,480/- and the details are as follows:

I. Total cost towards RTC Project implementation:

S.No.	Description	Amount
A	Project Cost (as per the tender)	154,09,00,000/-
B	GST @12%	18,49,08,000/-
C	Cess @1 (of S.No. A+B)	1,72,58,080/-
D	TOTAL	174,30,66,080/-

(PTO)

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II. Total cost towards Third Party Testing:

S.No.	Description	Amount
A	Project Cost (as per the tender)	1,99,30,000/-
B	GST @18%	35,87,400/-
C		2,35,17,400/-

4. In the reference 3rd read above, the MD, APSFL has stated that the Government of India has released notification regarding central tax rates and the said notification was amended from time to time, inter alia, regarding the tax rates. Until 2021, the tax rates for the underlying project is 12%. However, in the subsequent notifications, Gol increased the tax rates from 12% to 18% and as per the clause 6.11.1 (f) payment terms in Master Service Agreement, the changes in the tax rates are to be borne by the authorities and accordingly, the additional GST required for the project as per the amendment has been calculated and submitted as below:

S.No	Description	Amount (in Rs)
A	Basic Cost of the Project implementation (Excluding Taxes)	1,54,08,99,995.00
B	Value of invoice raised by the implementation agency before the date of amendment (Excluding Taxes)	90,63,23,337.00
C	Value of balance pending works (Excluding Taxes) [A-B]	63,45,76,658.00
D	Additional GST as per the amendment (i.e., revised from 12% to 18%), [i.e 6% of C]	3,80,74,599.00
E	Total GST towards implementation [12% of A + D]	22,29,82,598.00
F	Total Cess [@ 1% of (A+E)]	1,76,38,825.93
G	Total Project Implementation Cost, Including Taxes [A+E+F]	1,78,15,21,419.00

5. The MD, APSFL has requested to accord a revised administrative sanction for an amount of Rs.180,50,38,819/- (i.e., Rs.178,15,21,419/- for the Project Implementation Agency and Rs.2,35,17,400/- for the Third party testing agency) for construction of 13 Nos. of District Level RTG Centers and a State level RTG Annex building.

6. In continuation of the orders issued in the references 1st and 2nd read above, Government after careful examination hereby accord a revised administrative sanction, to factor-in the increased GST rate as per Government Notification, for an amount of Rs.180,50,38,819/- (i.e., Rs.178,15,21,419/- for the Project Implementation Agency and Rs.2,35,17,400/- for the Third party testing agency) for construction of 13 Nos. of District Level RTG Centers and a State level RTG Annex building.

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7. The Managing Director, Andhra Pradesh State FiberNet Limited shall take necessary action accordingly.

8. This order issues with the concurrence of Finance (FMU-Energy-I&I) Department, vide their U.O.No.FIN01-FMU0MRAS(IIE)/1/2018-FMU - ENERGY - FIN (Computer No.645000), dated 26-07-2023.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.N.YUVA RAJ
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To

The Managing Director, Andhra Pradesh FiberNet Limited, Vijayawada.

The Director of Treasuries and Accounts, Ibrahimpatnam, Vijayawada.

The Director of Works & Accounts, AP.

The Accountant General, A.P., Vijayawada.

Copy to:

The P.S. to Minister for I&I.

The P.S to Special Chief Secretary to Government, I&I Department.

The Finance (FMU-Energy-I&I) Department.

(C.No.ENE01-APFN/1/2018-Airports-E,I&I Comp.No.641111)

//Forwarded :: By Order//


SECTION OFFICER